APPENDIX A — OPINION OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DECIDED JANUARY 16, 2004

NOTE: Pursuant to Fed. Cir. R. 47.6, this disposition is not citable as precedent. It is public record.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

03-1162

MINKA LIGHTING, INC.,

Plaintiff-Appellant,

and

PAN AIR ELECTRIC CO., LTD.,

Plaintiff,

v.

CRAFTMADE INTERNATIONAL, INC.,

Defendant-Appellee.

DECIDED: January 16, 2004

Before MICHEL, RADER, and DYK, *Circuit Judges*.

RADER, *Circuit Judge*.

On summary judgment, the United States District Court for the Northern District of Texas ruled that Craftmade International, Inc. (Craftmade) was not liable for infringing

Appendix A

U.S. Patent No. Des. 380,539 (the '539 patent), unfair competition, or unjust enrichment. *Minka Lighting, Inc. v. Craftmade Int'l, Inc.*, No. 3-00-CV-0888-G, 2002 WL 1331883 (N.D. Tex. June 14, 2002), 2002 WL 31495990 (N.D. Tex. Nov. 4, 2002). Because the district court did not err in its rulings, this court *affirms*.

I.

Minka Lighting, Inc. (Minka) is exclusive licensee of the '539 patent, a ceiling fan design patent whose commercial embodiment is the Viper fan. Craftmade manufactures the Solo and Cefiro ceiling fans. Minka sued Craftmade, alleging infringement of the '539 patent, unfair competition, and unjust enrichment. Craftmade moved for summary judgment of noninfringement. The district court adopted a magistrate judge's report construing the claims and finding no infringement. The magistrate judge compared the Solo and Cefiro fans to Minka's Viper fan and found that the overall visual impression of the Solo and Cefiro fans differs from the Viper because of differences in the blades' leading edges and bracket arms. The magistrate judge concluded that the fans are not substantially similar. The district court granted summary judgment that Craftmade's fans did not Infringe. Craftmade moved for summary judgment dismissing the unfair competition and unjust enrichment claims. Adopting a second magistrate judge's recommendations, the district court granted the motion.

Minka appealed to this court, which has jurisdiction under 28 U.S .C. § 1295(a)(1) (2000).

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II.

This court reviews a grant of summary judgment de novo, reapplying the summary judgment standard. *See Golan v. Pingel Enter., Inc.*, 310 F.3d 1360, 1367 (Fed. Cir. 2002). Claim construction is a legal question that this court reviews without deference. *See Cybor Corp. v. FAS Techs., Inc.*, 138 F.3d 1448, 1456 (Fed. Cir. 1998) (en banc). This court reviews a district court's evidentiary decisions for abuse of discretion. *Keams v. Chrysler Corp.*, 32 F.3d 1541, 1547 (Fed. Cir. 1994).

III.

"Summary judgment is proper 'if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law.'" *Celotex Corp. v. Catrett*, 477 U.S. 317, 322-23 (1986) (quoting Fed. R. Civ. P. 56(c)). Determining design patent infringement requires first construing the claim, then comparing the claim as properly construed to the accused design. *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995).

A.

Minka contends the district court erred in construing the claim of the '539 patent through its own eyes, rather than as an ordinary observer or a designer of ordinary skill. Minka proposes that this court should follow the standard for utility

patents of *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 986 (Fed. Cir. 1995) (en banc), *aff'd*, 517 U.S. 370 (1996) and consider "what one of ordinary skill in the art at the time of the invention would have understood the term to mean."

According to our precedent, a district court properly construes design claims through its own eyes and need not refer to an ordinary observer or a skilled artisan. In construing a design claim, a trial court may "translate visual descriptions into words" that "evoke the visual image of the design." *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 103 & n.2 (Fed. Cir. 1996) (replacing the district court's construction with a new construction without citing the perspective of an ordinary observer or a skilled designer). This court affirmed the construction of a design patent claim, where the district court "considered and described each of the Figures . . . and based its claim construction on the ornamental features." *Contessa Food Prods., Inc. v. Conagra, Inc.*, 282 F.3d 1370, 1377 (Fed. Cir. 2002). This court also affirmed the construction of a design patent claim, where the district court "carefully noted the ornamental features" without referring to the perspective of an ordinary observer or a skilled designer. *See OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). Finally, this court in *Elmer* construed design claims without referring to the perspective of an ordinary observer or a skilled designer. *Elmer*, 67 F.3d at 1577.

However, a district court need not always verbally construe at length a design patent's drawings. The infringement analysis essentially involves comparing the

drawings to an accused device; a verbal description of the drawings does not necessarily aid such a comparison. But an extensive verbal claim construction may be helpful particularly if the drawings contain features that are not part of the patented design, e.g., if the drawings contain functional features or if there is a point of novelty issue to consider. *See, e.g., OddzOn Prods.*, 122 F.3d at 1405. Here, the district court chose to verbally construe the claims. This court discerns no error in that construction.

B.

To find infringement, the accused design must satisfy two distinct tests: "(a) the 'ordinary observer' test, and (b) the 'point of novelty' test." *Contessa*, 282 F.3d at 1377. Under the "ordinary observer" test,

> [I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

Gorham Co. v. White, 81 U.S. 511, 528 (1871); *see also L.A. Gear, Inc. v. Thom McAn Shoe Co.*, 988 F.2d 1117, 1124 (Fed. Cir. 1993) ("Design patent infringement requires a showing that the accused design is substantially the same as the claimed design. The criterion is deception of the ordinary observer, such that one design would be confused with the other. . . .").

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The point of novelty test requires proof that the accused design "appropriates the novelty which distinguishes the patented design from the prior art." *Contessa,* 282 F.3d at 1377. "[A] trier of fact must consider the ornamental aspects of the design as a whole and not merely isolated portions of the patented design." *Braun Inc. v. Dynamics Corp. of Am.,* 975 F.2d 815, 820 (Fed. Cir. 1992). In any event, design patent scope is severely limited, essentially covering only the patent's figures and nothing more. *In re Mann,* 861 F.2d 1581, 1582 (Fed. Cir. 1988) ("Design patents have almost no scope. [They are] limited to what is shown in the application drawings.").

The district court found that the accused fans are not substantially similar to the claimed design. The district court compared the accused Cefiro and Solo fans to the claimed design as embodied in Minka's Viper fan, and found that they have a different overall visual appearance. The district court described in detail its findings based on the fans' specific features and overall appearance. The district court did not err in concluding that no reasonable jury could find substantial similarity.

Minka contends that the district court erred by misapplying the law and in excluding certain evidence. First, Minka argues the district court erred by not considering infringement under the doctrine of equivalents. This court disagrees. The substantial similarity test by its nature subsumes a doctrine of equivalents analysis. *See Lee v. Dayton-Hudson Corp.,* 838 F.2d 1186, 1189-90 (Fed. Cir. 1988).

Second, the district court did not err in considering the brackets of the '539 patent in analyzing infringement. A fan with cutouts appears in Figures 1 and 2 of U.S. Patent No. Des. 357,978 (Young). Minka contends that the '539 patent's football-shaped cutouts are not novel over the Young cutouts, and therefore the district court should not have considered the fact that the brackets of the Solo and Cefiro fans lack the '539 design's football-shaped cutouts. To the contrary, Young's oval-shaped hole is substantially different from the cutouts and therefore does not place the '539 patent's cutouts in the prior art. Young's oval-shaped hole has a different proportion and orientation than the '539 patent's cutout. Also, the Young design hole completely penetrates its fan blade, while the '539 patent's football-shaped cutout does not penetrate the fan blade. Therefore the district court properly considered the '539 patent's cutout.

Finally, Minka contends that the district court erred by failing to admit models of Craftmade's Solo fan and Minka's Viper fan, deposition testimony on the issue of deceptive similarity and expert reports and testimony about consumer survey evidence of confusion for considering infringement.

The district court acted within its discretion in excluding commercial embodiments of the patented design and accused products for considering infringement. *See Braun,* 975 F.2d at 821 ("Nothing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison."). Accordingly, the district court did not abuse its discretion in relying on photographs to analyze infringement.

As to the excluded testimony and reports, a district court may admit ordinary observer witness testimony to determine substantial similarity, but is not required to do so. *Braun*, 975 F.2d at 821 ("[A fact finder] does not necessarily require empirical evidence as to whether ordinary observers would be deceived."). "Likelihood of confusion as to the source of the goods is not a necessary or appropriate factor for determining infringement of a design patent." *Unette Corp. v. Unit Pack Co.*, 785 F.2d 1026, 1029 (Fed. Cir. 1986). Accordingly, the district court did not abuse its discretion. The district court correctly concluded that there is no genuine dispute over any material facts and that no reasonable fact finder could have found infringement. Summary judgment of noninfringement was therefore appropriate.

C.

The district court did not err in granting summary judgment denying Minka's state law claims of unfair competition and unjust enrichment. Minka's unfair competition claim is based on either infringement or misappropriation. Craftmade did not infringe, so the only basis for unfair competition would be misappropriation. To prove misappropriation, Minka must establish Craftmade's "use of that product in competition with the plaintiff, thereby gaining a special advantage in that competition." *U.S. Sporting Prods., Inc. v. Johnny Stewart Game Calls, Inc.*, 865 S.W.2d 214, 218 (1993). Because Craftmade's fans do not infringe and thus are not even substantially similar to the protected design, Minka did not "use" and thus did not misappropriate the design.

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Minka's unjust enrichment claim is based on its unfair competition and infringement claims. Because neither claim prevailed, the district court properly granted summary judgment of no unjust enrichment.

APPENDIX B — ORDER AND JUDGMENT OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION DATED JUNE 14, 2002

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

CIVIL ACTION NO.
3:00-CV-0888-G

MINKA LIGHTING, INC., ET AL.,

Plaintiffs,

VS.

CRAFTMADE INTERNATIONAL, INC.,

Defendant.

ORDER

After making an independent review of the pleadings, files and records in this case, and the Findings and Recommendation of the United States Magistrate Judge, I am of the opinion that the findings and recommendation of the Magistrate Judge are correct and they are adopted as the findings and conclusions of the court.

Appendix B

It is therefore **ORDERED** that the findings and recommendation of the United States Magistrate Judge are adopted. Defendant's motion for summary judgment on non-infringement of the plaintiff's patent is **GRANTED**.

June 14, 2002.

s/ A. Joe Fish
A. JOE FISH
Chief Judge

APPENDIX C — FINDINGS AND RECOMMENDATION OF THE UNITED STATES MAGISTRATE JUDGE OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION DATED AND FILED MAY 15, 2002

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

NO. 3:00-CV-0888-G

MINKA LIGHTING, INC., ET AL.,

Plaintiffs,

VS.

CRAFTMADE INTERNATIONAL, INC.,

Defendant.

FINDINGS AND RECOMMENDATION OF THE UNITED STATES MAGISTRATE JUDGE

Defendant Craftmade International, Inc. ("Craftmade") has filed a motion for summary judgment on the issue of non-infringement in this design patent case.[1] The motion has been referred to United States Magistrate Judge Jeff Kaplan for recommendation pursuant to 28 U.S.C. § 636(b) and a standing order of reference dated February 5, 2001.

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1. Plaintiffs also sue for unfair competition and unjust enrichment. (Plf. Third Am. Compl. ¶¶ 19-22, 23-25). Defendant does not seek summary judgment as to those claims.

Appendix C

I.

Plaintiffs Pan Air Electric Co., Ltd. and Minka Lighting, Inc. (collectively referred to as "Minka") hold a patent on the ornamental design for a combined ceiling fan and light fixture. (U.S. Patent No. 380,539). The commercial embodiment of the '539 patent is the Viper ceiling fan, which was introduced into the United States market in 1996. By this suit, Minka alleges that two competing products, the Craftmade Ceifro and Solo ceiling fans, infringe on the '539 patent. Craftmade denies any infringement and maintains that the patent in-suit is invalid and unenforceable for a variety of reasons.

The case is before the Court on Craftmade's motion for summary judgment on the issue of non-infringement. The motion has been fully briefed by the parties and is ripe for determination.

II.

Summary judgment is proper when there is no genuine issue as to any material fact and the movant is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 106 S.Ct. 2548, 2552, 91 L.Ed.2d 265 (1986). A dispute is "genuine" if the issue could be resolved in favor of either party. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586, 106 S.Ct. 1348, 1356, 89 L.Ed.2d 538 (1986); *Thurman v. Sears, Roebuck & Co.*, 952 F.2d 128, 131 (5th Cir.), *cert. denied*, 113 S.Ct. 136 (1992). A fact is "material" if it might reasonably affect the outcome of the case. *Anderson v. Liberty*

Lobby, Inc., 477 U.S. 242, 248, 106 S.Ct. 2505, 2510, 91 L.Ed.2d 202 (1986); *Matter of Gleasman*, 933 F.2d 1277, 1281 (5th Cir. 1991).

A movant who does not have the burden of proof at trial must point to the absence of a genuine fact issue. *Duffy v. Leading Edge Prods., Inc.*, 44 F.3d 308, 312 (5th Cir. 1995); *Tubacex, Inc. v. M/V Risan*, 45 F.3d 951, 954 (5th Cir. 1995). The burden then shifts to the nonmovant to show that summary judgment is not proper. *Duckett v. City of Cedar Park*, 950 F.2d 272, 276 (5th Cir. 1992). The parties may satisfy their respective burdens by tendering depositions, affidavits, and other competent evidence. *Topalian v. Ehrman*, 954 F.2d 1125, 1131 (5th Cir), *cert. denied*, 113 S.Ct. 82 (1992). All the evidence must be viewed in the light most favorable to the party opposing the motion. *Rosado v. Deters*, 5 F.3d 119, 122 (5th Cir. 1993); *Reid v. State Farm Mut. Auto. Ins. Co.*, 784 F.2d 577, 578 (5th Cir. 1986). However, conclusory statements, hearsay, and testimony based merely on conjecture or subjective belief are not competent summary judgment evidence. *Topalian*, 954 F.2d at 1131.

III.

A design patent protects the non-functional aspects of an ornamental design as shown in the patent. *Elmer v. ICC Fabricating, Inc.*, 67 F.3d 1571, 1577 (Fed. Cir. 1995); *KeyStone Retaining Wall Sys., Inc. v. Westrock, Inc.*, 997 F.2d 1444, 1450 (Fed. Cir. 1993). Determining whether a design patent claim has been infringed involves a two-step process. First, as with a utility patent, the claim must be properly construed to determine its meaning and scope. *Elmer*, 67 F.3d at 1577, *citing Markman*

v. Westway Instruments, Inc., 52 F.3d 967, 975 (Fed. Cir. 1995), *aff'd*, 116 S.Ct. 1384 (1996). Second, the claim as properly construed must be compared to the accused design to determine whether there has been infringement. *Id.* In this second step, the patented and accused designs are compared for overall visual similarity:

> [I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.

Id., *quoting Gorham Co. v. White*, 81 U.S. (14 Wall.) 511, 528, 20 L.Ed. 731 (1871). Where a patented design is composed of functional as well as ornamental features, "to prove infringement a patent owner must establish that an ordinary person would be deceived by reason of the common features in the claimed and accused designs which are ornamental." *Id.*, *quoting Read Corp. v. Portec, Inc.*, 970 F.2d 816, 825 (Fed. Cir. 1992). In addition, "the accused design must appropriate the novel ornamental features of the patented design that distinguish it from the prior art." *Id.*, *citing Oakley, Inc. v. International Tropic-Cal, Inc.*, 923 F.2d 167, 169 (Fed. Cir. 1991). The inquiry as to whether the accused design appropriates novel ornamental features of the patented design, also known as the "point of novelty" test, is separate and independent from the ordinary observer test. *See Unidynamics Corp. v. Automatic Prods. Int'l, Ltd.*, 157 F.3d 1311, 1323 (Fed. Cir. 1998). A patent holder must prove both substantial similarity from the standpoint of an ordinary observer and appropriation of the point of novelty in order

to establish infringement of a design patent. *Sun Hill Indus., Inc. v. Easter Unlimited, Inc.*, 48 F.3d 1193, 1197 (Fed. Cir. 1995); *Shelcore, Inc. v. Durham Indus., Inc.*, 745 F.2d 621, 628 n.16 (Fed. Cir. 1984).

A.

The first step in the infringement analysis is construing the meaning and scope of the patent claim. *OddzOn Prods., Inc. v. Just Toys, Inc.*, 122 F.3d 1396, 1405 (Fed. Cir. 1997). The proper construction of design patent focuses on the overall visual impression of its ornamental features. *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 104 (Fed. Cir. 1996). *See also OddzOn*, 122 F.3d at 1405 (scope of design patent is limited to its "overall visual impression"). Here, the Court has construed the claimed design as follows:

> The '539 design patent claim is directed to an ornamental design for a combined ceiling fan and light having fan blades that overlie corresponding arms of a central bracket. The central bracket has a circular central opening through which a light fixture dome protrudes downward. The bracket has curved, fin-shaped arms, each of which sweeps outward from its base at the central opening and each of which terminates in a slightly rounded tip. The arms of the bracket are equally spaced about the central opening, and the length of each bracket arm is roughly one-third the length of the corresponding blade. The light fixture dome exhibits a partial sphere that transitions into a generally cylindrical portion adjacent the central

bracket. A central housing, located above the fan blades, exhibits a generally cylindrical portion just above the fan blades that transitions into a concave portion.

When viewed from below, the fin-shaped arms of the central bracket [sweep] outward from the central opening in a clockwise direction, which gives the appearance of a "running" pointed star. A symmetrical, elongated, generally football shaped cutout appears behind the leading edge of each arm. The fan blades are also swept in the clockwise direction, with the leading edges of the blades forming a sweeping curve near the bracket central opening. The trailing edges of the blades are straight but slightly offset from a diameter of the bracket central opening. The trailing edge of each blade smoothly transitions into the trailing edge of the corresponding bracket arm, which further forms a curved transition into the leading edge of the next bracket arm. A gently receding arc in front of each bracket arm's leading edge runs from the tip of each arm to the middle of the smooth transition. Each fan blade terminates in a gently rounded corner on the leading edge and a sharply angled, rounded corner on the trailing edge. From its tip, the trailing edge of each bracket arm flares inwardly and rearwardly away from the straight trailing edge of the corresponding blade until it intersects the leading edge of the following blade. Due to the sweep of the bracket arms, the leading edge of each fan blade is substantially

> more exposed than in the trailing edge of each fan blade.
>
> When viewed from above, the fan blades are swept in the counter-clockwise direction, which also gives the appearance of a pointed "running" star. Also when viewed from above, the trailing edge of the bracket arm is visible at the base of each fan blade.

Minka Lighting, Inc. v. Craftmade Int'l, Inc., 2001 WL 1012685 at *22-23 (N.D. Tex. Aug. 20, 2001) (Kaplan, M.J.), *adopting* Rep. & Rec. of Special Master (May 16, 2001).[2]

B.

Next, the properly construed claim must be compared to the accused design for overall visual similarity. *OddzOn*, 122 F.3d at 1405. The Court will analyze the design of the Craftmade Cefiro and Solo ceiling fans separately.

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2. The special master declined to address issues of functionality and points of novelty in his claim construction recommendation. Instead, he suggested that the Court:

> [M]odify the foregoing "construction" of the '539 patent claim to eliminate primarily functional features, if any . . . [and] leave to the jury the task of determining what point or points of novelty distinguish the '539 patent design from the prior art, as well as to determine whether the accused product has appropriated the same."

Minka Lighting, 2001 WL 1012685 at *25.

Appendix C

1.

The claimed design of the '539 patent, as embodied in the Minka Viper,[3] incorporates a combined ceiling fan and light with curved fan blades and fin-shaped bracket arms with football-shaped cutouts that sweep outwardly from the bracket base in a clockwise direction, giving the appearance of a "running pointed star." (*See* Def. App. at 1-5; Plf. App. at 67-69). However, none of these distinctive ornamental features are found on the Cefiro fan. Instead, the Cefiro has fan blades with straight leading edges and layered, crab-claw shaped bracket arms that cover both the leading and trailing edges of the blades, giving the appearance of a blazing sun. (*See* Def. App. at 8-9). Although the bracket arms on the leading edges of the Cefiro blades have a slight curve, they do not create the same sweeping look of the Viper blades.

In an attempt to show substantial similarity of the patented and accused designs, Minka points to the deposition testimony of Neil Fleisher, a Viper retailer. Fleisher testified that an unidentified consumer came into his showroom and said that "he purchased what he thought could have been a Viper at a lot lower price at Lowe's . . ." (Plf. App. at 85).

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3. It is undisputed that there is no material difference between the design shown in the '539 patent and the Minka Viper. Therefore, to obtain a better comparison, the Court will examine both the patent drawings and pictures of the Viper contained in the summary judgment record. *See Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 820 n.8 (Fed. Cir. 1992) ("When, as here, no significant distinction in design has been shown between the patent drawing and its physical embodiment, it is not error for the court to view them both, and to compare the embodiment of the patented design with the accused device.").

This testimony does not raise a fact issue for two reasons. First, there is no evidence that the fan purchased by this customer was a Cefiro.[4] Second, the mere possibility that one customer may have confused the Viper and Cefiro fans does not necessarily mean that an "ordinary purchaser" would not find the two substantially similar. *See Child Craft Indus., Inc. v. Simmons Juvenile Prods. Co.*, 990 F.Supp. 638, 644 (S.D. Ind. 1998). While actual customer confusion may be relevant, "[n]othing in *Gorham* suggests that, in finding design patent infringement, a trier of fact may not as a matter of law rely exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design, and the accused device's design." *Id.*, *quoting Braun, Inc. v. Dynamics Corp. of Am.*, 975 F.2d 815, 821 (Fed. Cir. 1992). Based on a visual comparison of the Cefiro ceiling fan and the '539 patent and its commercial embodiment, the Court concludes as a matter of law that the two designs present a different overall impression and are not substantially similar.[5]

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4. Minka argues that "[i]n view of the fact that Lowe's carried the Cefiro ceiling fan until very recently, it is likely that the Lowe's ceiling fan at issue was the Cefiro, or at a minimum, it creates a material fact issue about whether consumers have been deceived about Defendant's ceiling fans." (Plf. Br. at 19-20) (internal citation omitted). The fact that the ceiling fans purchased at Lowe's *could have been* Craftmade Cefiros is too speculative and, as such, does not raise a genuine issue of material fact for trial. Moreover, the statement allegedly made to Fleisher by this unidentified customer is rank hearsay.

5. Minka points to similarities in the light fixture domes and the central housing units of the Cefiro and Viper fans. However, any similarities in these components, when viewed in context of the design as a whole, do not create a substantially similar overall visual impression.

Appendix C

2.

The Court further determines that the claimed design of the '539 patent and the Solo ceiling fan are not substantially similar as a matter of law. The Solo fan does not have the same curved blades as shown in the '539 patent and embodied in the Minka Viper. (*See* Def. App. at 6-7, 78-80). While the leading edges of the Solo blades are slightly curved and attached to curved bracket arms, the overall visual impression of the Solo is distinct from the Viper. The tiered bracket arms of the Solo fan, which cover a portion of the leading edges of the blades, do not create the same sweeping curve created by the Viper blades. Rather, the Solo has a straighter, more pointed look. Nor do the Solo bracket arms have "elongated football-shaped cut outs" or a "gently receding arc in front of each bracket arm's leading edge [which] runs from the tip of each arm to the middle of the smooth transition" as contemplated by the '539 patent. Although Minka tries to downplay its bracket arm design, this unique ornamental feature significantly contributes to the curved and flowing appearance of the Viper. By contrast, the Solo fan has tiered and "dagger-looking" bracket arms. Moreover, the Viper bracket arms do not cover the leading edges of the fan blades. The visual effect of this design creates a "smooth transition" from the arc of the bracket arm to the trailing edge of the fan blade, drawing attention to the clockwise curve of the fan. The design of the Solo bracket arms does not create this same curved impression.

Minka points to the results of consumer survey conducted by its expert to show that "ordinary observers actually do believe that the Solo ceiling fan is substantially similar to

the patented design." (Plf. Br. at 11). This survey shows that, out of 220 people polled in Houston and Los Angeles, 71 percent thought that the Solo and Viper had "substantially the same design." (Plf. App. at 65). Ninety-four percent of the 71 percent attributed the similarities to the "curves and contours" of the fans. (*Id.* at 66). Minka claims that this evidence precludes summary judgment on the issue of non-infringement.

Assuming *arguendo* that this evidence is admissible, the Court nevertheless finds that it fails to create a genuine issue of material fact for trial. As previously noted, the Court may rely "exclusively or primarily on a visual comparison of the patented design, as well as the device that embodies the design [ ] and the accused device's design" in determining infringement or non- infringement. *Braun*, 975 F.2d at 821; *see also Child Craft*, 990 F.Supp. at 644 (survey evidence of consumer confusion did not create genuine issue of material fact regarding substantial similarity); *Pacific Handy Cutter, Inc. v. Quick Point, Inc.*, 1997 WL 607501 at *4 (C.D. Cal. Jul. 7, 1997), *aff'd*, 178 F.3d 1307 (Fed. Cir. 1998) (Table), *cert. denied*, 119 S.Ct. 1457 (1999) (explaining that evidence relating to consumer confusion would not raise a triable issue of fact because the court had already determined by visual comparison that designs were not substantially similar). Based on a visual comparison of the Viper and Solo fans, the Court has concluded that the patented and accused designs are not substantially similar. The survey results proffered by Minka cannot create a fact issue where none exists.

Moreover, the survey is problematic in the absence of a precise definition of "substantial similarity." For example,

in the copyright infringement context, trial courts have refused to consider survey evidence purportedly showing a substantial similarity between an accused and protected work where the court determined, as a matter of law, that no substantial similarity existed. The Second Circuit has explained the problem with survey evidence as follows:

> The "substantial similarity" that supports an inference of copying sufficient to establish infringement . . . is not a concept familiar to the public at large. It is a term to be used in the courtroom to strike a delicate balance between the protection to which authors are entitled under an act of Congress and the freedom that exists for all others to create their works outside the area protected against infringement . . . [W]hen a trial judge has correctly ruled that two works are not substantially similar as a matter of law, *that conclusion is not altered by the availability of survey evidence indicating that some people applying some standard of their own were reminded by one work of another.*

Warner Bros., Inc. v. American Broadcasting Cos., 720 F.2d 231, 245 (2d Cir. 1983) (emphasis added); *see also Aaron Basha Corp. v. Felix B. Vollman, Inc.*, 88 F.Supp.2d 226, 231-32 (S.D.N.Y. 2000) (trial court declined to consider survey evidence purportedly showing that lay observers found two baby shoe pendants "substantially similar"). Here, the Court has resolved the issue of substantial similarity as a matter of law. Evidence that some people, applying their own

definitions, may find the designs to be "substantially the same" is insufficient to create a triable issue.[6]

C.

As no reasonably jury could find a substantial similarity between the Craftmade Cefiro and Solo fans and the '539 patent, there is no infringement as a matter of law. Consequently, the Court need not address the point of novelty test.

RECOMMENDATION

Defendant's motion for summary judgment on non-infringement should be granted.

DATED: May 15, 2002.

s/ Jeff Kaplan
JEFF KAPLAN
UNITED STATES MAGISTRATE JUDGE

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6. For these same reasons, the deposition testimony of Linda Berg, a Minka sales representative, also fails to create a genuine issue of material fact on substantial similarity. Berg testified that some lighting distributors told her that the Craftmade Solo fan has the same look as the Minka Viper. (Plf. App. at 26-31). However, this testimony adds nothing to the Court's objective analysis based on a visual comparison of the patented design and the accused design. Moreover, any statements made to Berg by other lighting distributors are hearsay.

APPENDIX D — ORDER OF THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT DENYING PETITION FOR REHEARING AND REHEARING EN BANC DATED AND FILED FEBRUARY 24, 2004

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

03-1162

(DCT - 00-CV-888)

MINKA LIGHTING

V

CRAFTMADE INTL

ORDER

A combined petition for panel rehearing and for rehearing en banc having been filed by the APPELLANT, and the petition for rehearing having been referred to the panel that heard the appeal, and thereafter the petition for rehearing en banc having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for panel rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the petition for rehearing en banc be, and he same hereby is, DENIED.

Appendix D

The mandate of the court will issue on March 2, 2004.

FOR THE COURT,

s/ Jan Horbaly
Jan Horbaly
Clerk

Dated: February 24, 2004

APPENDIX E — RULE INVOLVED

Federal Rule of Civil Procedure

Rule 56. Summary Judgment

(a) For Claimant. A party seeking to recover upon a claim, counterclaim, or cross-claim or to obtain a declaratory judgment may, at any time after the expiration of 20 days from the commencement of the action or after service of a motion for summary judgment by the adverse party, move with or without supporting affidavits for a summary judgment in the party's favor upon all or any part thereof.

(b) For Defending Party. A party against whom a claim, counterclaim, or cross-claim is asserted or a declaratory judgment is sought may, at any time, move with or without supporting affidavits for a summary judgment in the party's favor as to all or any part thereof.

(c) Motion and Proceedings Thereon. The motion shall be served at least 10 days before the time fixed for the hearing. The adverse party prior to the day of hearing may serve opposing affidavits. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in

character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

(d) Case Not Fully Adjudicated on Motion. If on motion under this rule judgment is not rendered upon the whole case or for all the relief asked and a trial is necessary, the court at the hearing of the motion, by examining the pleadings and the evidence before it and by interrogating counsel, shall if practicable ascertain what material facts exist without substantial controversy and what material facts are actually and in good faith controverted. It shall thereupon make an order specifying the facts that appear without substantial controversy, including the extent to which the amount of damages or other relief is not in controversy, and directing such further proceedings in the action as are just. Upon the trial of the action the facts so specified shall be deemed established, and the trial shall be conducted accordingly.

(e) Form of Affidavits; Further Testimony; Defense Required. Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein. Sworn or certified copies of all papers or parts thereof referred to in an affidavit shall be attached thereto or served therewith. The court may permit affidavits to be supplemented or opposed by depositions, answers to interrogatories, or further

affidavits. When a motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of the adverse party's pleading, but the adverse party's response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial. If the adverse party does not so respond, summary judgment, if appropriate, shall be entered against the adverse party.

(f) When Affidavits are Unavailable. Should it appear from the affidavits of a party opposing the motion that the party cannot for reasons stated present by affidavit facts essential to justify the party's opposition, the court may refuse the application for judgment or may order a continuance to permit affidavits to be obtained or depositions to be taken or discovery to be had or may make such other order as is just.

(g) Affidavits Made in Bad Faith. Should it appear to the satisfaction of the court at any time that any of the affidavits presented pursuant to this rule are presented in bad faith or solely for the purpose of delay, the court shall forthwith order the party employing them to pay to the other party the amount of the reasonable expenses which the filing of the affidavits caused the other party to incur, including reasonable attorney's fees, and any offending party or attorney may be adjudged guilty of contempt.